REMARKS

Claim 1 has been amended and claims 4-7, previously withdrawn. The amendments are supported by the original specification, including the figures, and thus do not introduce new matter. Claims stand rejected under 35 U.S.C. § 102 as being anticipated by Reeves (4468619). Applicant asserts, however, that the claims as now amended overcome the prior art of record.

In particular, Reeves pertains to a position detector located at the <u>inside</u> of the pipe.

Reeves contains no teaching or suggestion for an externally located sensor. Accordingly,

Applicant respectfully requests that the rejections of claims 1-2 and 8-9 be withdrawn and that all pending claims be passed to issue.

If the Examiner has any questions regarding the foregoing amendment and remarks, or if prosecution of this Application could be furthered by a telephone interview, the Examiner is requested to telephone the Applicants' undersigned attorney at 312-226-1818.

Respectfully Submitted, FACTOR & LAKE, LTD.

Dated: March 7, 2006

Micheal D. Lake

Registration No. 33, 727

One of the Attorneys for the Applicant

CERTIFICATE OF FIRST CLASS MAILING

I hereby certify that this correspondence is being deposited with the United States Postal Service as first class mail in an envelope addressed to: Mail Stop Patent Ext., Commissioner for Patents, P.O. Box 1450, Alexandria, VA 22313-1450 on

March 7, 2006.

Yolanda M. Solis